



State of Utah

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Environmental Quality

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MEMORANDUM

TO: Members of the Legislative Hazardous Waste Regulation and Tax Policy Task Force

FROM: Bill Sinclair, Deputy Director
Utah Department of Environmental Quality

SUBJECT: Legislative audit report: Figures 4 and 5 relating to the Environmental Quality Restricted Account (EQRA)

DATE: June 1, 2004

Figure 4 (Fee Disposal Revenues Fall Short of Budgeted Expenditures in EQRA Account), page 16 of the audit report and Figure 5 (EQRA Oversight Fund Balance is Diminishing), page 17 of the audit report portray the EQRA as encountering shortfalls over the years and shows a negative revenue change for 2005 (estimated).

The Department is providing revised Figures 4 and 5 to: (1) show the complete history of EQRA from its inception in 1996 and (2) show that recent changes to fees have had a positive impact on the health of the fund. The Department provided the original 2005 revenue estimate, based on a 3-year average of revenues. In the attached, revised figure, the Department projects 2005 revenues based on revenues to date for 2004.

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Revised Figure 4. Fee Revenues Fall Short of Budgeted Expenditures in EQRA Account

Revised Figure 5. EQRA Oversight Balance is Diminishing

Revised Figure 4. Fee Disposal Revenues Fall Short of Budgeted Expenditures in EQRA Account. Revised amounts include all fiscal years from beginning of EQRA Account, and fiscal year 2005 estimated revenues based on fiscal year 2004 activity level and not prior 3 year average for Radioactive Waste Fees

Fiscal Year	Fee Disposal Revenue	Budgeted Expenditure	Difference
1996	\$ 6,143,786	\$ 4,651,511	\$ 1,492,275
1997	7,033,022	5,029,922	2,003,100
1998	4,074,846	5,288,460	(1,213,614)
1999	4,819,533	5,878,582	(1,059,049)
2000	5,339,828	5,214,664	125,164
2001	4,985,840	5,370,357	(384,517)
2002	4,146,605	6,245,220	(2,098,615)
2003	4,105,141	6,068,862	(1,963,721)
2004 est	5,886,499	5,727,890	158,609
2005 est	6,183,699	5,829,940	353,759

Revised Figure 5. EQRA Oversight Fund Balance is Diminishing. Revised amounts include all fiscal years from beginning of EQRA Account, and fiscal year 2005 estimated revenues based on fiscal year 2004 activity level and not prior 3 year average for Radioactive Waste Fees

Fiscal Year	Beginning Fund Balance	Ending Fund Balance	Percent Change
1996	\$ -	\$ 1,716,182	n/a
1997	1,716,182	3,791,184	121%
1998	3,791,184	2,666,279	-30%
1999	2,666,279	2,019,546	-24%
2000	2,019,546	2,387,609	18%
2001	2,387,609	2,255,330	-6%
2002	2,255,330	1,830,919	-19%

2003	1,830,919	871,309	-52%
2004 est	871,309	1,029,918	18%
2005 est	1,029,918	1,383,677	34%